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Work Organisation and Innovation - Case Study: Abbott, Ireland

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Work Organisation and Innovation - Case Study: Abbott, Ireland

Abstract

[Excerpt] Abbott is a global, broad-based healthcare company dedicated to discovering new medicines, new technologies and new ways to manage health. Their products span the continuum of care, from nutritional products and laboratory diagnostics through to medical devices and pharmaceutical therapies. Abbott has sales, manufacturing, research and development and distribution facilities in multiple countries serving customers around the world.

Keywords

work organization, innovation, Abbott

Comments

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Work organisation and innovation

Case study: Abbott, Ireland

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Background to the organisation

Abbott is a global, broad-based healthcare company dedicated to discovering new medicines, new technologies and new ways to manage health. Their products span the continuum of care, from nutritional products and laboratory diagnostics through to medical devices and pharmaceutical therapies. Abbott has sales, manufacturing, research and development and distribution facilities in multiple countries serving customers around the world.

Abbott in Ireland employs almost 4,000 people altogether in 13 locations including various production units and commercial operations. There is an overall business advisory council that cross-manages these different operations, although the matrix structure that characterises the company means that each division operates independently on the basis of an international reporting structure.

The scope of this case study is the commercial operation located in Dublin Citywest Business Campus, which employs 158 people. The staff level in this organisation has remained stable during the past five years. The majority of employees are on permanent and full-time contracts. The company hires personnel on temporary contracts to replace long-term absences as well as maternity leave cover and there are currently four employees working part time. Staff are distributed across four areas: the pharmaceutical division, nutritional business, diagnostic business and diabetes care. The pharmaceutical division is the largest of the four, employing more than 50% of the total staff and they take responsibility for the shared services and leasing, charging back costs to the other divisions. A significant proportion of these staff have sales and marketing roles, which means that they spend a good deal of time outside the office visiting clients and doing other field work.

Abbott's commercial operation has participated in the 'Great Place to Work Institute' survey for a number of years. The objective is to keep on developing the company in order to become a key employer, attracting new talent, and to find opportunities to make employees happier and willing to stay in the company. In 2007 one of the conclusions that came out of the survey was that employees wanted to have a better work-life balance. To the question as to whether 'my manager encourages me to balance my work and my personal life' there were about 45% employees who responded that the company was not encouraging them in this respect.

Consequently, the company sought ways of addressing this matter.

The Abbott affiliate in Denmark reported a positive experience in implementing a programme called 'Life Navigation' which has the overall objective of promoting a work-life balance approach. Abbott in Ireland decided to opt for the same approach.

Nature of the innovation

Life Navigation is a programme aimed at:

... empowering people to take responsibility for managing their time, design an individualised space and time for work, and fostering a new perception of work, life, and their inter-relationship. It emphasizes that the most highly productive individual employees will be those who are allowed to work when they are at peak energy and efficiency. It strives to manifest a work culture where flexibility, productivity, and individual life quality are integrated, and in which differences in work time and space are socially accepted.

Camilla Kring, *The 21st century evolution of work culture* (2009)

The programme once implemented should allow employees to be more efficient and productive but at the same time to have a greater balance between work and private life. It is designed to have gains for both the individual employee and the company.

The programme's principles emphasise the importance of teaching employees how to have a flexible approach to work and also creating an organisational context of social acceptance for this flexibility. The Life Navigation programme implementation at company level, where the training and support material is made available, should allow for these objectives to be achieved.

This is even more important at the present time when the major part of an employee's contribution is purely intellectual work. This does not always necessitate being at the workplace. In fact, employees can be present at the workplace but have their minds concentrated on other subjects, whereas they can be away from the workplace and be thinking and doing work for the company. The industrial culture that places importance on visibility – 'I can see you – therefore you are working' should give place to an innovative work culture – 'Even if I don't see you – I still know that you are working', as outlined in *The 21st century evolution of work culture* by Camilla Kring.

According to the programme's underlying principles, each person is different and guided by an individual, genetically based biological clock and rhythm which determine the optimal times for their work and life.

As such, different people will perform better at different times. By respecting the natural optimal performance clock of each individual, a company will gain access to their potential greatest performance contribution. The 'A type' persons are those who are more efficient early in the day, while 'B types' are those who do not like to wake up early and are more productive in the afternoon and evening. It is important to allow each person to know their own preferences and styles and work accordingly, as it can only benefit the organisation.

Life Navigation creates a flexible and supportive work culture that integrates flexibility with self-responsibility. While individuals are provided with the option to choose when and where to work, they are also offered the trust and support which ultimately increases their motivation and dedication and boosts their performance. In summary, the autonomy employees are given in choosing when and where to work is a key programme dimension.

The introduction of Life Navigation implies a considerable amount of training throughout a period of time. Typically it involves five half-day training sessions over a month or more, which means that each week there is a different session. In between sessions, participants are requested to do some specific work.

Process of implementing the innovation

Prior to this programme being rolled out, Abbott already had in place other flexible working arrangements like part-time work and job sharing.

The programme implementation started in 2008 with a pilot group including the 17 managers of the pharmaceutical division. The adoption of this programme was strongly based on the initiative of this division's General Manager, who was a firm believer in the benefits and advantages of such an approach. He attended several training sessions for the pilot phase alongside the other 16 managers and was also the first manager to adopt and embrace its principles.

In the year following the pilot implementation, the positive responses to the 'Great Place to Work Institute' survey question on whether the manager encourages the employee to have a balanced approach between their personal life and work increased by 37 percentage points (from 51% in 2007 to 88% in 2009). This also contributed to the organisation achieving second place on the Irish Great Place to Work list in the year that the programme was implemented. This was the organisation's highest-ever placing on the list in Ireland. It encouraged the managers to extend the programme to the rest of the organisation.

Managers debated with the other divisions' business leaders and a decision was made about implementing the programme in those other divisions as well. There were two key questions about this, one related to the cost implications and the other to the time commitment that would be required. The business leaders had some concerns about pushing flexibility in the organisation and whether this would represent a loss of productivity, but eventually they decided to proceed with implementation. These concerns were related to the fact that employees were used to working in a particular structure and under particular patterns and the changes could represent a disruption in the status quo. Employees on the other hand did not express any particular concerns about the programme implementation.

Later, during the following 12 months, the programme was rolled out to the rest of the organisation, with all the employees trained under the same model. The trainer was Camilla Kring, the Danish consultant who invented the concept.

As the training was based on five half-day sessions over a period of a few weeks, there were a lot of programmes running in parallel. At the same time, it is essential to carry this out over consecutive weeks because of the work to be done between each session.

In addition, Abbott also has an Employee Day every year and the focus of the 2009 All employee day was on work-life balance and the launch of Life Navigation. This came as a surprise to most employees, according to the HR manager, as they would have expected the company to discuss business objectives, strategy or other business-related matters.

To follow up that initial effort of implementing the programme across the entire organisation, they trained someone internally to be the trainer. This trainer now trains new employees and the programme has been adapted to a three-session structure.

They also have a Life Navigation week each year. In the most recent one, they launched the Life Navigation Manifesto, which is a booklet of 70 pages containing different information about the programme and the several associated roles:

- the 'pilot' – the person who allows an individual to establish a direction in their lives;
- the 'timekeeper' – the person who allows an individual to make the best use of their available time in accordance with their skills;

- the ‘conductor’ – the person who allows an individual to create a good balance among different rhythm activities;
- The aesthetic – the person who chooses the right environment for them.

These several roles should allow an individual to plan and prioritise their activities in order to make the best use of their time and energy.

Another important element of the implementation of the programme is the use of the frog as a symbol. This idea came from the book, *Eat That Frog!: 21 Great Ways to Stop Procrastinating and Get More Done in Less Time* by Brian Tracy. In this context, the frog represents a task that one is most likely to procrastinate over and consequently it grows and becomes ‘uglier’. The introduction of this element occurred as part of the programme implementation and not as a request from employees. In Abbott, employees use the frog to show colleagues that they are working on a specific task that requires special concentration and therefore would prefer not be interrupted. They place a small soft frog toy on the handle of their office doors to indicate this message. To show the symbol at cubicle walls, they use a placard with a frog image with green and red lights lamps.

Apart from its function in signalling whether the employee was available or not, the frog also had a role to play as a programme symbol. Some people have incorporated the use of the frog as an effective tool and they have a positive attitude about it, even with an emotional dimension. For example, when we interviewed the HR manager and asked to see a frog, the HR manager brought two examples, emphasising that the owners wanted to make sure they would get them back.

Prioritisation of tasks and work space management are other important dimensions of this approach. Employees must prioritise their activities and choose where to do them in relation to its nature. In theory, employees are given the option of spending all or part of a day working at alternative work locations. In reality, implementation of the working from home module is defined locally, at a unit level being shaped by middle managers.

Since the roll-out of the programme to all employees in the local affiliate, where possible, all employees have received the tools to work remotely, i.e., laptop and mobile phone.

In general terms, managers in this programme are given a special responsibility about proactively encouraging employees to have a balanced approach between their work and personal lives. If a manager is aware that a certain employee is working too hard, they should then advise that employee to work less intensively or take some time off. At certain times, the business demands put a special pressure on employees, demanding an extra effort from them. Afterwards, managers are encouraged to ensure that employees seek to get more balance in their lives.

Since the programme was rolled out to the whole organisation about three years ago, all of the employees who have joined after that date have received an overview and induction about the programme. Not all these new employees have been fully trained, particularly the temporary ones, as this would have constituted a much larger investment.

Impact on employees

This programme represented an opportunity for employees to develop their planning and time management skills and apply a more balanced approach to work and private life. The intensive training provided, the material offered, the example shown by local senior management all form different elements of this approach which should have a positive impact on the employees' daily life.

The programme offered flexibility in terms of when and how employees can do their work. However, before the programme was implemented, a large proportion of employees were already benefiting from this flexibility. These were sales representatives in the main, who in turn benefited from Life Navigation in terms of communications, setting priorities and managing deadlines. These employees would have the tools to be able to work remotely, for example, and depending on their roles they would do it more or less often.

The other important factor that influences this situation is the manager's individual attitude. Employees are dependent on their manager's attitude towards this issue. Some of them would feel comfortable about using this flexibility while others would not. Those that do not make use of the flexibility say that they believe they are expected to work in the office and think it is important for them to be seen there.

It seems there were individual differences in how different employees perceived the possibility of working in alternative environments (including home). Working from home is not a defined right in itself and some people initially thought that it was. On one hand, there are roles which cannot benefit from it at all, either because their responsibilities imply that the job holders are constantly present at the company or because their activities are based on the use of certain systems that cannot be accessed from outside the company. On the other hand, those employees who can work from home will still only be able to do it when it suits the company's needs. The difficult economic environment and the pressure of business demands oblige employees to work harder and longer at certain moments. Extra working hours, for example, are needed at certain times to meet deadlines. In the past, employees would have had to stay longer when those situations arose. Nowadays, they know they can go home, and do these extra hours at home, late in the evening, for example, after having dealt with some family obligations.

The programme did not introduce work intensification because this phenomenon was there already. At different times employees are required to work harder and more hours and they accept this as the norm. Nevertheless, employees reported that they are happier to be able to work these required extra hours in the evening at home, rather than having to stay in the office till 8 or 9 in the evening. This is a trust issue – the work is there and the employees choose where to do that work and deliver to the agreed deadlines. The work gets done, however the employee chooses when and where to complete this work.

The use of the frog to represent a person being busy and working on a specific project is not used and respected in similar ways by everyone. While the people who work in offices use this with good results, for those who work in cubicles the situation does not seem to work in the same way. The difference that was reported with the use of the frog is mainly related to space. Those employees who work in cubicles may and frequently do use empty offices for Frog work. But many do not make use of this opportunity as much as they would like. This is not a specific management issue but an overall employee attitude and self planning. An employee would tend to interrupt someone who was in a cubicle because they could not see the frog and once on the spot they would keep talking or asking whatever they wanted to ask.

Some employees share the view that while opportunity exists for everyone to embrace and use the programme, it is at an individual level that this finally will or not happen and ultimately it is the responsibility of the employee to ensure that they make the most of the opportunities that are offered by the organisation.

Employees feel that is highly beneficial for them to apply the programme principles and methodology with clear benefits for their personal circumstances. They also apply the principles which they suit them best. They are not required to implement all elements but rather are encouraged to do so through their managers and the annual Life Navigation weeks.

Impact on the organisation

The main objective of the company in introducing this programme was to improve employee work–life balance. The company aims to become and be recognised as a great place to work and this programme should play a key role in this respect. Therefore, the employees' satisfaction index and commitment should also increase as a result. In fact the survey following the implementation of this programme scored Abbott (specifically the local affiliate) second place the Irish Great Place to Work list.

The results of the survey promoted by the Great Place to Work Institute seem to confirm the positive effects achieved by this programme. Testimonial from different interviewed employees is not consistent overall, however. Some say they have benefited from the programme implementation; others have a less positive opinion about it.

According to the General Manager, the Life Navigation programme had a positive impact on another programme known as the 'No Limits' programme. No Limits is an innovative business process programme which sets out to create an environment of innovation, through training and practice. This gives employees the tools and techniques to better understand the needs and expectations of key company stakeholders and therefore be better able to develop services and solutions to address these. The General Manager feels that Life Navigation has contributed to No Limits because of the extra efforts that employees can make as they free up time and energy through the programme.

The company local senior management considers that Life Navigation has benefited the company in the sense that employees increased their availability to engage more closely with the company stakeholders. Middle-managers and non managers did not articulate this view. The General Manager described a specific example of a programme where Abbott Ireland worked to develop the first home administration service for pediatric medicines available in all of Ireland. As a result of this programme, babies are now being safely treated in the comfort and cleanliness of their own homes; and hospital and doctors' waiting rooms are a lot less crowded – with more than 4,500 outpatient appointments eliminated as a direct result of this programme. This programme received the Irish Healthcare Commendation Award for Excellence in Healthcare Management. This different approach, in his opinion, was possible due to the increased time availability that employees gained through Life Navigation implementation to focus on the problem and introduce a solution that benefited the patients, parents, doctors and hospital administrators.

The programme implementation involved a significant investment in terms of everybody's time and large resources spent on training.

Lessons learnt and future plans

There was not complete agreement about the effectiveness of the 168 planning tool that was adopted and implemented through the training. In some cases, people mentioned that this would be an overly simplistic approach and that a different, more structured approach should be used instead. The 168 planning tool aims to put all the 24 hours of the day, 7 days a week under the same planning tool. An individual should not only plan for their activities during the working day but also how the working day fits in their overall life including rest periods, leisure activities, family time, etc. From a conceptual point of view, this approach is of interest because it prompts an individual to look at their time as part of a global picture; however, in practical terms, this is not always easy to implement on a daily basis.

Conclusions

Implementation of this programme involves a reinforcement of the trust element between the company and their employees, which is an important dimension of the employment relationship.

Employees value the flexibility that is offered to them, although this does not imply that less effort is expected from them. On the contrary, employees are used to intensive working patterns but the flexibility provided by this programme allows them to make a choice of where to work, especially when longer hours are required. But employees are also encouraged to plan their time more effectively to avoid the phenomenon of peaks and troughs and achieve a more level volume of work.

The quality of the training and materials provided was considered to be of a very high level. The opportunity provided by the training for employees to meet outside of their normal working groups was also considered to be a strong point. There is a large consensus about the fact that the company was genuinely committed to implementing successfully this programme.

The various components of the programme are used differently across the organisation. Some of the people interviewed stated that they use several aspects of the programme which are useful to them while others mention that they use only a few components. This reflects the fact that the use of the programme is optional and encouraged rather than compulsory. At its core the programme is about employees taking personal responsibility for their work–life balance.

As with all new initiatives introduced at workplace level, in general, some elements are more successful than others. Abbott employees considered that old habits and the attitude of certain managers have an important role in explaining a less successful adoption of some of the Life Navigation elements. Local senior management commitment in overall terms was high. Employees and managers were made available to receive the training and the symbolism was adopted across the organisation.

Some of the most senior employees who worked in Abbott long before the programme was implemented say that the company has changed because of it. The introduction of this programme, especially with the presence of Camilla Kring who has quite an innovative approach, was viewed as a moment of change.

Some people share the view that if the roll-out had been done with more internal resources, the final result could have been better. It was suggested that some employees could have been trained to be trainers from the beginning, allowing for a more customised approach to Abbott's individual operations and also with obvious cost savings.

According to the management perspective, the three critical success factors for the implementation of Life Navigation were:

1. A commitment in time and training to bring everyone up to speed and to make sure that everybody really understands what life navigation means and what they need to do to practise and deliver effective life navigation for themselves.
2. The symbolism and tools that were made to allow everyone to communicate effectively among themselves.
3. Continuously promoting and nurturing the programme to make sure that people continue to adopt the related behaviours.

It is important to note that clearly there are different views about the programme's success among local senior management and other managers or employees. The company has recently completed an employee-led task team with recommendations and actions to be carried out to address this situation.

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